DOCUMENT RESUME

ED 120 660 CG 010 494

AUTHOR Fox, William M.
TITLE Traditional Japanese Management: Upside Down and Inside Out.
PUB DATE 3 Sep 75
NOTE 25p.; Paper presented at the Annual Meeting of the American Psychological Association (83rd, Chicago, Illinois, August 30 to September 2, 1975)

EDRS PRICE MF-$0.83 HC-$1.67 Plus Postage
DESCRIPTORS Behavior Patterns; Business; Cross Cultural Studies; Cultural Differences; *Employer Employee Relationship; Foreign Countries; *Leadership Styles; *Management Systems; *Organizational Climate; Responsibility; *Sociocultural Patterns; Speeches
IDENTIFIERS *Japan

ABSTRACT

Traditional Japanese are bred with a strong sense of dependency and presumption on the benevolence of family, boss, work group, and nation. Ideally, one should blend selfessly into a system of "other directedness." One must give indiscriminate devotion to his colleagues, for it is immature and divisive to like certain group members more than others. It is more important to avoid embarrassment or conflict than to search for or insist on the truth. One must endure and not complain. In traditional organizations responsible behavior is created more by inner values than by outer controls. Love of company and seniority are more important considerations than performance in promotion decisions. Management is based more on persuasion than direction and the system supplies little personal authority to go with responsibilities. Through careful selection and the constraints of lifetime employment traditional organizations have exploited the unique personal selflessness created by the Japanese socialization process. They have harnessed the power of shared values and commitment to the utmost. Otherwise, their practices might well have produced helpless indifference and inefficiency. In view of current trends in technology exchange, international economic conditions, and defection of many Japanese youth from traditional values, one wonders if the traditional system of management can survive in its present form. (Author)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. Nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

ED120660

Traditional Japanese Management: Upside Down and Inside Out

William M. Fox

College of Business Administration

University of Florida

Senior Fulbright Research Scholar

Associated With Kyoto University

September 15, 1974-March 15, 1975

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

Paper for Division 14 Symposium: An International View of Motivation, American Psychological Association Meeting, Chicago Palmer House, September 3, 1975

Traditional Japanese Management: Upside Down and Inside Out

Americans have every right to be confused about Japanese management. They review cross-cultural surveys of employees and managers which purport to shatter well-established "myths" about differences, yet read about lifetime employment, groupthink, use of godfathers, and other practices which seem unique, indeed. Why the confusion? Is someone deliberately trying to fool someone? Not really, it's the age-old dilemma of attempting to generalize from an unrepresentative sample, coupled with serious communication problems.

Western oriented, Quasi-Western oriented, and uniquely Japanese oriented employees and managers all abound in Japan. Those of the third type are found usually in prestigious traditional firms and tend to be the most homogeneous as to values. The others are more often found in foreign firms, non-affiliated medium and small sized Japanese firms, and large maverick firms like Sony and Honda and those managed by members of Japan's Young Presidents' Organization. However, traditional Japanese oriented employees and managers are in the majority and, therefore, are closest to being "typical." But relatively few of them ever enter the open market and become available to foreign employers!

The communication problem is difficult to cope with. In part, it is due to a different emphasis in the use of language. The Japanese are more concerned with subtlety than with precision in expression. They rely more upon non-verbal cues than we do. To a larger extent, however, problems arise from different meanings created by quite different cultures. For example, were we to ask Japanese and American managers to indicate how much autonomy they have, or should have, on a degree scale, they would draw upon different conceptual

worlds in responding. Americans tend to regard responsible individuality as a positive thing and see lack of autonomy as a constraint upon this. Japanese traditionally see individuality as evidence of immaturity and autonomy as the freedom to comply with one's obligations and duties.

This difference in orientation is dramatized by the absence of a Japanese counterpart, historically, for the Western concept of individual rights. Similar semantic difficulties are likely to be generalized by terms such as authority, responsibility, social welfare, obedience, loyalty, competition, productivity, initiative, cooperation, conflict, and organizational stability.

The future usefulness of the uniquely Japanese approach for handling "typical" employees is being challenged by the defection of young people from traditional values and by changing circumstances abroad. Yet, it still accounts for impressive quantities of high quality products sold quite competitively in world markets. How does it differ from American practice? Why has it been so successful? What are some significant straws in the wind at home in Japan and abroad? What might we learn from the Japanese experience?

Significant Differences

Individual Programming

The traditional Japanese male employee is born into an intricate web of obligations and relationships. As he matures, his initial concern with immediate family and relatives expands to include his work group and organization, acquired relatives with marriage, and his fellow Japanese as a nation. He enjoys more freedom and indulgence as a child than he will see again as an adult until, perhaps, he retires. For he starts with the unsettled obligations of his father and adds to these throughout his career.

Mothers give or withhold an abundance of affection and attention on the

basis of their childrens' sensitivity to their feelings and compliance with well defined roles. She is a model of selflessness and sacrifice. She asks no more than she is willing to give, time after time. Her tools of socialization are shame and guilt rather than physical punishment. "Do you wish to be laughed at?" "Do you wish for your mother or family to be laughed at?" "Understand how I feel, and that I ask for your cooperation not for myself." "I am sacrificing myself for you, so that you may leave the family better off than you found it, and do it honor...this is your debt to your ancestors and to us."

Thus is bred a strong sense of dependency and presumption upon the benevolence of others: the child toward his parents, the wife toward her husband, the subordinate toward his boss, and the worker toward his work group. Ridicule is unbearable, acceptance all important.

Morality is expressed primarily in terms of social commitment to others. Individuality and independence are symptoms of immaturity and selfishness. A popular belief is that individual differences are more the result of differences in effort than ability.

There are no God-given natural rights and duties which permit one to exist outside of the system. One cannot simply utilize leisure time and money as he wishes. The ideal is for one to selflessly blend into a system of "other directedness." Tendencies toward self-definition or systems analysis are subversive to this end, and therefore repressed. One must endure and not complain.

Effectiveness Criteria

Good consistent return on equity capital without undue borrowing is a key criterion of success for competitive enterprises in the West. This is of

secondary concern for most traditionally managed Japanese firms. Many were staked initially by the government around the turn of the century and have enjoyed a close working collaboration ever since. Their primary mission, in a country which is dependent on trade and short on employment or pension benefits, is to create and continue jobs and generate foreign exchange via international sales. To subsidize their competitive foreign pricing and marketing practices, they obtain funds from captive banks, non-competitively, and receive assistance from the government in maintaining a highly protected domestic market. Insurance against disaster from overproduction is provided by government sanctioned domestic cartels and the sacrifice of non-affiliated medium and small-sized firms when necessary. In return, traditional firms offer "lifetime" employment to a select portion of the labor force and good paying sinecures to retired government officials.

The primary profit goal is a conventional dividend rate. Given this, attention turns to recognition and status through good contacts, size, and service to Japan. Typically, traditional firms feel more responsible to their employees and government colleagues than to their shareholders.

Recruitment, Selection, and Placement

In America, straight seniority systems rarely are associated with top notch personnel and performance. Not so in prestigious traditional Japanese firms. Their permanent employee slots are much sought after. They consider only the best high school and college graduates, and then pick those whom they feel will "fit in" and make the greatest commitment for "life" to the organization. Very limited quotas are given to selected schools whose faculty members make initial cuts and vouch for the finalists. They are aided in this by references and background records which may reach back over

several generations.

It is not uncommon for the president of the firm to participate in the induction of new employees, whatever the entry level. This personal touch dramatizes the importance of the decision to the firm. The candidate is viewed as being a potential lifetime addition to the family. The gravity of the decision is underscored, also, by the applicant's knowledge that he cannot easily quit one well regarded traditional firm to move to another. He can move down to a lesser one, but it tends to be a one-way street well policed by tradition.

Since the employee is hired "for the firm" rather than a particular supervisor or unit, it is customary for a central personnel department to exercise hiring authority, and assign him where needed. His pay is determined more by his personal needs, seniority, and status than by current duties or contribution. Except for highly technical jobs, job ownership is discouraged, as are individual accountability and recognition.

The majority of these firms frown on the use of job descriptions and job specifications, or concepts like Management By Objectives. Responsible behavior is created more by inner values than by outer controls. Performance is a secondary factor in promotion decisions, love of company and seniority are more important considerations. Consequently, management is based upon persuasion more than direction and the system supplies little personal authority to go with responsibilities.

Harmony Above Truth

Within traditional society, standard social roles provide the structure within which people function. Direct expression is frowned upon in love as well as in business. It is more important to avoid present embarrassment or conflict than to search for or insist upon the truth. Commitment, not cooperation alone,

is the norm, so there is unconscious avoidance of rational probing and the assessment of future consequences. The "why" of the Westerner is threatening and irritating.

These values dominate the workplace, also, where primary emphasis is placed upon emotional rather than rational harmony. The logic of a decision is less important than its congruence with group sentiment. One must give indiscriminate devotion to his fellow workers, for it is immature and divisive to like certain group members more than others. Having friends on the basis of common personal interests would tend to subvert the primacy of group concerns. The work group is all-powerful. Virtue lies in being an anonymous being who has melded into it.

Training

Job rotation and other forms of training are meant to expand one's company consciousness and web of interpersonal relationships as much as to impart specific skills or knowledge. In fact, much of the training will never be utilized directly. Too much emphasis on one specialized area of performance is viewed as individualizing the person, as tending to separate him from the group and from identification with the company as a whole. Typically, employees will say "I work for such and such firm," rather than, "I am a welder", or "I am a bookkeeper."

Due to their commitment to harmony and face-saving, traditional Japanese do not really understand or appreciate Western ideas like "unity in diversity", "constructive criticism," or personal growth through knowledge of self. As a result, techniques such as "brainstorming" or sensitivity training have a hard time getting off the ground.

Enterprise Unionism

By American definition, most traditional firms have "company unions" which are decidedly pro-management...even to the point of openly discriminating against some 20-30% of employees who are classified as "temporary". A man may work in the same company for years with this status, getting short-changed on pay and other benefits despite equal performance. Until now, temporary employees appear to have accepted this second-class status as being in the nature of things.

The "contract" between union and management is more an understanding than a legal document. Permanent employees are protected primarily by social obligations which bind those in control. For example, management is committed for "life" and cannot dispose of the company as negotiable property when business gets bad. In fact, it is customary that executives take a pay cut before other employees are affected. Surplus workers may be loaned to other firms (in the family) for up to several years, but their seniority status and other rights accrue with the parent firm and they must not be abandoned. Annual bonuses may be pared down or skipped under extremely bad circumstances, but retroactive compensation is usually given when conditions permit.

In return, both the union and individual workers are expected to look out for the interests of the firm on their own initiative. They are expected to view its survival and well-being as tantamount to their own survival and well-being. One sign of caring is to put in overtime without claiming premium pay, whenever one is asked, despite any inconvenience which may arise.

In view of the mutual obligations involved, it is inaccurate to think of this traditional system as American-style paternalism. The employee's work group is his primary social group as well and his supervisor is an integral part of it. Personnel departments still arrange marriages

and vacations and teach women the social graces. Most American supervisors could not, or would not, begin to satisfy the strong dependency needs which abound. American paternalism is much more unilateral. The benefactor can give or withhold benefits at will. He can terminate the personal relationship at will. The traditional Japanese employer is more like a father whom society will not let disown or unduly abuse his children. Their approach might more appropriately be thought of as "familism."

Ringi System

The label "Ringi System" is applied to a process whereby a proposal, the Ringisho, is prepared at a middle management level and circulated to affected units for review, revision or approval. With all approval seals attached it winds up with appropriate higher authority for final approval and implementation. Many group meetings, and much delay usually precede this last step. But once the go ahead is given, the organization can move with surprising speed and unity of purpose.

Some observers interpret this as constituting decision-making by consensus. Given the indirect style of Japanese managers and an organization climate which encourages emotional harmony by discouraging individuality and constructive criticism, it seems more accurate to label it as "consensual understanding." It is not uncommon for the Ringisho to be merely the formalization of a "suggestion" from higher management which has had the benefit of considerable prior discussion before being drafted. Apparently, not many Ringishos get drastically revised enroute to the top or vetoed when they get there. And considerable discretion is retained by management to prescribe in detail when and by whom they will be implemented.

Traditional Japanese are long on status distinctions and protocol but

abhor personal assertiveness. For the rank and file and the public, the Ringi System helps to obscure individual responsibility for the quality or effects of a plan of action and, thereby, helps to deindividualize the exercise of power. It does not equate with equalitarianism or "bottoms up" management, but it does equate with employee understanding of plans and caring that they succeed.

Formal Controls

To an extraordinary degree the traditional Japanese management system depends upon internalized values and social pressure to discourage dishonesty. It is commonplace for salesmen to handle both orders and cash collections. Management seals, the only authentication required for cashing checks, are entrusted to employees. They may be duplicated easily. Yet, fidelity bonding is rarely used, for employees find it offensive. Truly independent audits are neither required nor typically made.

Most "bread and butter" sales are made on the basis of friendship and connections. Entertainment expenditures may be sales related, but often are not. After work, it is commonplace for in-house executives to go out to their regular bar or geisha house to enjoy themselves, letting designated dealers pick up the monthly tab. No real control is attempted.

As was mentioned before, individual job descriptions and specifications are frowned upon. Though the responsibilities of organizational units are specified, those of individuals are not, and the authority of a supervisor relative to that of his subordinates is often vague.

Thus we complete a descriptive overview of management practices in traditional Japanese organizations. These practices do violence, apparently, to many which are considered essential to good management in America (a list of

apparent infractions is presented in Appendix A).

Why So Successful?

How can this be? How has this system accomplished so much? What has kept it from producing nothing but a giant boondoggle? Dedicated, self-sacrificing workers, spurred by a sense of urgency, appears to be the answer. An employee's future rides with the fortunes of his organization, and, in turn, with the fortunes of Japan. Early in life he becomes aware of the battle for survival facing his family and nation.

Relative to their numbers the Japanese have little in the way of space or natural resources. They are harrassed by typhoons and earthquakes. They now must import some 70% of their foodstuffs. They must trade or die. They are deadly serious about the social system they have evolved to cope with these needs. A Japanese flaunts it at the risk of economic and social suicide. In this milieu, the pursuit of individual happiness is regarded as too self-indulgent.

Unlike many seniority-based organizations in America, prestigious traditional Japanese organizations, both in and out of government, are the most sought after by school graduates. Company executives have their pick of the best educated and motivated candidates each year. Lifetime employment evokes from them a long-term commitment to a given organization which is hard to obtain from able people in the states. Those who are more concerned with short-run executive gamesmanship than service to the organization have a tough time succeeding in this climate.

Given a clear understanding of organizational goals by the Ringi system, the absence of well-defined individual responsibility encourages teamwork based upon mutual assistance. Things are less likely to get lost between the cracks of individual accountability. One man's deficiencies may be offset by another's strengths with less chance of Western-style resentments or jurisdictional disputes.

Also, the employment security enjoyed by permanent employees minimizes their resistance to technological change.

Flexibility in staffing is afforded by the use of temporary employees and the practice of transferring employees on a loan basis to other firms. In addition, "lifetime" employment ends for most managers around the age of 55. At this point they either move up to a higher spot, or out. Rank and file workers terminate their permanent status around 55, also. If needed, some may be continued in their jobs at one-third less pay on a temporary basis. Most will jump at such opportunity, since "pensions" rarely exceed 2-3 years of pay and government social security benefits are nominal.

These motivational conditions coupled with other forms of assistance paid off handsomely for Japanese industry in the post World War II period of cheap raw materials and expanding markets abroad. Of paramount importance was U.S. assistance in the form of technology handouts, money, and military protection. Also, there was America's willingness to hold her markets open to Japan despite the latter's maintenance of highly protected markets at home with government sponsored domestic cartels to protect the favored when needed.

The spiritual as well as material partnership between big trading firms and government has made it possible for Japan to mount an unparalleled program of capital investment and trade expansion, subsidized by its captive domestic economy and long-suffering citizens. For years they have accepted discrimination against non-affiliated medium and smaller firms, temporary workers, and women workers, as well as, inadequate pensions and unemployment insurance, and the absence of a relatively free labor market.

Straws in The Wind

What are future prospects for the traditional system? In view of developments at home and abroad, one wonders if it can survive.

Developments Abroad

During the 1950's and '60's Japan had access to an abundance of cheap raw materials. She was able to exploit a period of unprecedented growth in international sales. Today, her strong position in many Western markets is prompting demands for tariff protection and freer access to her highly protected domestic market. American firms are becoming more tight-fisted about technology handouts as they begin to view Japanese counterpart firms as major league competitors.

Throughout Asia there is widespread perception of traditional Japanese businessmen as selfish, arrogant, humorless, "economic animals," engaged in economic colonialism for the benefit of their homeland. Much of the problem lies in poor empathy and inadequate communication. Chie Nakane, a distinguished Japanese sociologist who has surveyed the behavior of her countrymen abroad, talks of their plain lack of interest in understanding other people and their societies.

At a time when the wages they pay at home are automatically growing faster than productivity, traditional firms can ill afford to lose the goodwill of neighboring countries which have permitted them to establish lower cost operations. In addition, the oil crisis has put an end to cheap resources. Certainly, it has terminated the skyrocket ride of Japanese consumer goods sales abroad.

Developments at Home

The sacrificing, unquestioning Japanese are beginning to question! The proportion of temporary to permanent employees being hired is up. Overstaffed firms are asking many permanent employees to retire voluntarily before 55 in the face of meager unemployment and pension benefits. Industrialization has put a severe squeeze on open space and has roused many groups against growing pollution. The traditional view that "if you take care of your family, firm, and Japan, they

will take care of you" is being reexamined.

As management becomes more professionalized the demand for highly trained specialist grows as does the need for more rational job design. This trend is intensified in Japan by a decline in imported technology. In a relatively short period of time, many firms will have to expand their research and development activities significantly.

They will have to overhaul their marketing programs at home as their traditional system yields to consumer displeasure and foreign competition. These changes will require greater stress upon initiative and trained competence than upon lifetime employment and seniority. Those with the necessary qualifications will be in a sellers' market with traditional firms vying for their services. It will be difficult for traditional personnel practices to survive these pressures.

Defection of the young. Perhaps the most dramatic indication of potential difficulty is provided by surveys which show growing defection of young men and women from traditional values. A selection of items from two surveys is presented in Tables 1 and 2. Of particular interest in Table 1 are the significant five year changes on the part of 20-24 year olds in Japan. Each survey caught these young people at the same stage of development, yet the changes in outlook are striking. Table 2 responses strongly reinforce an image of dissatisfaction and flight from traditional values on the part of younger Japanese.

Insert Tables 1 and 2 about here

Veteran section heads in traditional firms report that younger workers today are not as conscientious about quality nor as willing to be inconvenienced by non-routine demands as they were ten years ago. Professor

Iwao Ohashi of Osaka Prefectural University presented survey data at a research seminar at Kyoto University in late 1974 which indicate surprising anti-union, anti-management sentiments on the part of younger Japanese workers. A 1971 Ministry of Labor survey found that 52% of workers 25-29 were dissatisfied with working hours, desiring a reduced work week with more holidays, whereas, only 30% of those 45-54 felt this way. Even more startling to traditional Japanese, are instances in recent years of irate middle-school children kicking their teachers, and even their parents.

Japanese leaders are aware of these trends and concerned about them. At a personnel seminar recently at Sophia University in Tokyo, a professor told how the story of the Tortoise and the Hare had been rewritten, and then re-written again. Right after World War II they had the tortoise awaken the hare to cross the finish line hand in hand with him...now, it has been changed back to the original version!

Young Presidents' Organization. If there are any individuals who will be able to deal effectively with the problems discussed above, they should be the members of Japan's growing Young Presidents' Organization. About one-fifth of them are self-made entrepreneurs who started their own businesses, while many of the others "inherited" their positions through family or other special connections. Yet, there appears to be little friction or factionalism between these groups. Apparently, most posses superior ability coupled with an open, flexible approach which is largely unbound by tradition.

To join the YPO one must have become president of an organization before 40, and the very fact of being a president so early in Japan, for real not just in title, constitutes a dramatic break with traditional practice. The present membership of around 90 would appear to be just a starter for this relatively new organization. These dynamic leaders should have the best chance for success in blending the future

needs of Japanese business with the changing aspirations and values of the young.

Conclusion

Through careful selection and the constraints of lifetime employment, traditional Japanese firms have exploited the unique personal selflessness created by their society. They have harnessed the power of shared values and commitment to the utmost. Otherwise, their practices might well have produced helpless indifference and inefficiency.

Historically, we Americans have lacked the political control and inclination required to produce such selflessness, en masse, but we have used good selection procedures in some notable instances to help create climates of shared values and commitment. The amazingly productive Lincoln Electric Company, price leader in its field despite average wages which are double union scale, is a good case in point. And, clearly, organizations such as the FBI, The Alcohol and Tobacco Tax Division of IRS, the Marine Corps or an olympic team are not known for soft working conditions, faster promotions, or higher pay! Their appeal lies in the camaraderie of shared interests, purpose, and achievement. When our best management practices are applied in such organizations, the results are impressive.

Unfortunately, this winning combination is more the exception than the rule. Often, we over-rationalize our selection procedures with impersonal criteria of doubtful validity, because top management is too busy to get involved. Personnel is told, "Get someone who can do the job and is not an obvious misfit." Underlying this approach is the naive assumption that most such hirees can be "turned on" by proper training and supervision alone.

The value of the Ringi System for nurturing understanding and commitment recalls the work of men such as Lewin, Maier, Coch and French, and Likert who

demonstrated the effectiveness of participative decision-making in American organizations long ago. Why have we failed to more fully utilize their findings? Perhaps we have moved too far toward "selfish" individuality, just as many younger Japanese feel that their society has moved too close to mindless groupism. It is encouraging that the young of both countries appear to be striving for a better balance between these extremes.

Selected References

Abegglen, J. C. Management and worker: The Japanese solution. Tokyo: Kodansha International Ltd., 1973.

Allen, L. Japan: The years of triumph. New York: American Heritage Press, 1971.

Ballon, R. J. (Ed.). Doing business in Japan. Rutland, Vermont: Charles Tuttle Company, 1968.

Ballon, R. J. (Ed.). The Japanese employee. Rutland, Vermont: Charles Tuttle Company, 1969.

Bell, R. (Ed.). The Japan experience. New York: Weatherhill, 1973.

Doi, T. The anatomy of dependence. Tokyo: Kodansha International, 1973.

Fukuzawa, Y. The autobiography of Fukuzawa Yukichi. (Eiichi Kiyooka, trans.). Tokyo: the Hokuseido Press, 1934.

Gibney, F. Five gentlemen of Japan. Rutland, Vermont: Charles Tuttle Company, 1973.

Hearn, Lafcadio. Japan: An interpretation. Rutland, Vermont: Charles Tuttle Company, 1959.

Lebra, T. S., and Lebra, W. R. (Eds.). Japanese culture and behavior. Honolulu: The University Press of Hawaii, 1974.

Moore, C. (Ed.). The Japanese mind: Essentials of Japanese philosophy and culture. Honolulu: East-West Center Press, 1967.

Nakane, C. Japanese society. Middlesex, England: Penguin Books, 1970.

Whitehill, A. M., Jr., and Takezawa, S. The other worker. Honolulu: East-West Center Press, 1968.

High adventure in joint ventures, revisited. Tokyo: The American Chamber of Commerce in Japan, 1972.

The following Bulletins of the Sophia University Socio-Economic Institute, Tokyo:

Ballon, R. J. Top executives and company presidents in Japan: Function and personality. Bulletin No. 27, 1971.

Inohara, H. Shukko: Loan of personnel in Japanese industry. Bulletin No. 42, 1972.

Ballon, R. J. Japanese-like industrial relations. Bulletin No. 48, 1973.

Fukui, T. Labor-management relations and the law in Japan: Labor legislation and collective agreements. Bulletin No. 49, 1973.

The following presentations by William S. Royce, Director, SRI-Japan, for the Socio-Economic Institute of Sophia University, Tokyo:

Industrial research and development in Japan May 8, 1973.

An outline of corporate planning in Japan May 14, 1974.

Table 1

Responses of 20-24 Year Old Japanese to Selected Items From the National Surveys of 1953, 1958, 1963, and 1968

	1953	1958	1963	1968
	Percentage of Respondents Who Agree			
Supposing someone wants to do something he thinks is right and gives full explanation to other people, but they refuse to listen to him. Which is the better person?				
One who ignores opposition, goes ahead	N.A.	57 (54)[a]	64 (55)	70 (59)
There are all sorts of attitudes to life, but of those listed here, which is closest to your feelings?				
Don't think about money or fame, live life that suits tastes	34 (21)	38 (27)	45 (30)	51 (32)
If Japan as a whole improves, then and only then can individuals be made happy	42 (37)	N.A.	25 (30)	23 (32)
If you could be born again, would you rather be a man or a woman?				
Women who was to be female again	N.A. (47)	27 (27)	46 (36)	58 (48)
Men who want to be male again	N.A. (94)	72 (90)	47 (88)	38 (89)

[a] percentage agreement by total sample of all ages.

Note: From A study of Japanese national character by Chikio Hayashi, Hirojiro Aoyama, Sigeki Nisihira, and Tatsuzo Suzuki, Tokyo: The Institute of Statistical Mathematics, 1970.

Table 2

Responses of 18-24 Year Olds From Eight Countries to Selected Items From the Gallup Opinion Index of October 1973

	Japan	France	Sweden	Switzer-land	England	U.S.	West Germany	Yu sl
Percent Satisfied With								
Job and working conditions	20	45	63	50	54	48	23	4
Relations with friends	42	68	86	77	80	78	43	7
Percent "Dissatisfied With" plus "More or Less Dissatisfied With".								
Your Society	73	14	35	23	21	35	35	1
Percent Who Agree that:								
Government too much for the nation, not the individual	88	68	68	63	68	74	44	N
Strong emphasis on industrial development makes people unhappy	90	40	76	64	65	69	47	N
Little freedom at work, am treated like machinery	37	19	15	13	19	15	23	3
Human nature is fundamentally bad	33	20	22	15	16	16	16	1
Basically you rely on yourself	74	51	44	45	34	68	73	6

Table 2 continued.

	Japan	France	Sweden	Switzer-land	England	U.S.	West Germany	Yugo-slavia
Don't work too hard	72	72	80	64	39	41	60	58
Percent of Time Devoted to Studying, Working on Weekend	17	27	33	42	30	42	20	35

Appendix A

Practices in Traditional Japanese Firms Which Apparently Violate Good American Practice

1. Individual recognition, prominence, and reward are discouraged, seniority is the dominant factor for determining promotions and pay increases.
2. Individual authority and responsibility are minimized. People are not recruited and hired to fill specific slots. Job descriptions and job specifications are virtually unknown, except for highly technical jobs.
3. The concept of familism embracing parent-child relationships is encouraged.
4. Specialization is frowned upon. Staff positions are usually sinecures.
5. Typically, personnel administrators hire entrants without consulting the supervisor for whom they will work (college graduates as well as non-college graduates).
6. Often, training is not directly related to current or clearly foreseeable utilization.
7. Contracts are not very binding, legally.
8. A rational and open approach to issues is discouraged. Avoidance of embarrassment and "sharp-cornered words" is more important <u>almost always</u> than a search for objective truth. It is felt that individual will and rational situational requirements should yield to group will. Therefore, from the president on down, typically, there is little in the way of creative, decisive leadership. The best leader is the one who loves his company and can act as a reflector of the elements of wa (harmony) in his subordinates.
9. There is a predominance of pro-management company unions which, along with management, openly discriminate against 20-30% of the work force.

Appendix A continued.

10. Domestic marketing (as to both channels and customers) is based primarily upon custom, favoritism and accomodation rather than objective criteria or economic competition. Even the largest sales are rarely made direct to customers.
11. There is reluctance to bring in "new blood" above entry levels and when done, it is usually on a discriminatory basis. If fortunate, the newcomer might "catch up" with permanent employees pay-wise in 5-10 years.
12. Generally, long-range planning is not thought viable, nor is being first with a significant innovation. There is strong preference for gut-level, action orientation.
13. Independent audits and controls are avoided. Even boards do not perform independent review functions, typically.
14. A deliberate tendency exists toward being over-staffed, over-levered (financially), and over-produced.
15. Generally it is felt that more developed nations such as the United States <u>owe</u> accommodation to Japan without reciprocal obligation on her part.
16. Non-economic effectiveness criteria are dominant. Primarily there is competition for status through bigness and prestigious affiliation with only <u>necessary</u> regard to profitability. A spiritual as well as materially collusive partnership exists with government.